



Smruthi Organics Limited

Date: 20th May 2023

To
Corporate Relation Department
BSE Limited
P. J. Tower, Dalal Street,
Mumbai – 400 001.

To
Listing Department
Metropolitan Stock Exchange of India Ltd
Building A, Unit 205A, 2nd Floor,
Piramal Agastya Corporate Park,
L.B.S Road, Kurla West, Mumbai – 400070

Scrip Code: 540686

Subject: Outcome of Board meeting of the Company held today i.e. 20th May 2023.

Further to our letter dated 11th May 2023, we enclose, in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following, as approved by the Board of Directors of the Company (the Board) at the meeting held today i.e., 20th May 2023:-

➤ **Financial Results:**

- (i) Audited Standalone Financial Results of the Company, for the Quarter and year ended 31st March, 2023;
- (ii) Audited Balance Sheet, as at 31st March, 2023;
- (iii) Audited Cash Flow Statement, for the year ended 31st March, 2023; and
- (iv) Reports from the Statutory Auditors of the Company, M/s. Gokhale & Sathe, Chartered Accountants, Mumbai (Firm Registration No 103264W) on the aforesaid Audited Financial Results.

Unmodified Opinion:

Enclosed herewith declaration with respect to Audit Report with unmodified opinion to the audited financial results for the financial year ended 31st March 2023





➤ **Annual General Meeting and other matters:**

- (i) The 34th Annual General Meeting of the Members of the Company will be held on Saturday, 05th August, 2023 through Video conferencing ("VC") / other Audio-Visual means ("OAVM") in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

➤ **Dividend:**

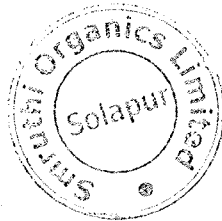
- (i) Payment of dividend at Rs 2 per share (20 %) on 1,14,46,290 equity shares of Rs. 10 each for FY 2022-23.
- (ii) The Register of Members & Share Transfer book will remain closed from Saturday, 29th July, 2023 to Saturday, 05th August, 2023 (both days inclusive) for the purpose of AGM and payment of dividend.
- (iii) The Record date for the purpose of Dividend and AGM will be Friday, 28th July, 2023.

The Board meeting commenced at 10:30 a m and concluded at 12:55 p.m

The Audited Financial Results will also be available on the website of the company at www.smruthiorganics.com.

Kindly take on record the above information and acknowledge.

For Smruthi Organics Ltd



E. Purushotham
Chairman & Managing Director



INDEPENDENT AUDITOR'S REPORT ON AUDIT OF FINANCIAL RESULTS

To Board of Directors of **SMRUTHI ORGANICS LIMITED**

REPORT ON THE AUDIT OF THE FINANCIAL RESULTS

OPINION

We have audited the accompanying Financial Results of **SMRUTHI ORGANICS LIMITED** ('the Company') for the quarter and year ended March 31, 2023 ('Financial Results') attached herewith, being submitted by the Company pursuant to regulatory requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial results:

1. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
2. give a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ('Ind AS') and other accounting principles generally accepted in India of the net profit and total other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2023.

BASIS FOR OPINION

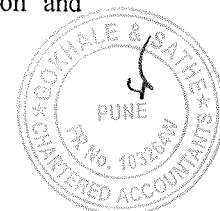
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MANAGEMENT'S RESPONSIBILITIES FOR THE STANDALONE FINANCIAL RESULTS

These Financial Results have been prepared on the basis of the Financial Statements.

The Company's Board of Directors are responsible for the preparation of these Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards under Section 133 of the Act read with rules mentioned thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and





maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

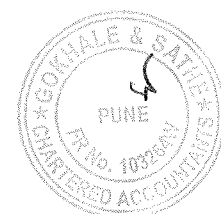
In preparing the Financial Results, the management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management and the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL RESULTS

Our objectives are to obtain reasonable assurance about whether the Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.





Materiality is the magnitude of misstatements in the financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

OTHER MATTERS

1. The comparative audited financial results of the Company for the quarter and year ended March 31, 2022, were audited by N. R. Waghchaure & Associates, Chartered Accountants, the erstwhile Statutory Auditors of the Company, whose report dated May 28, 2022 had expressed an unmodified opinion thereon.

Our opinion is not modified in respect of the above matter.

2. The Financial Results includes the results for the quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us.

Our opinion is not modified in respect of the above matter.

For GOKHALE & SATHE,
CHARTERED ACCOUNTANTS,
Firm Registration No.: 103264W

CA Kaustubh Deshpande,
Partner
Membership No.: 121011
UDIN: 23121011BCXXWM3816

Place: Solapur
Date: May 20, 2023

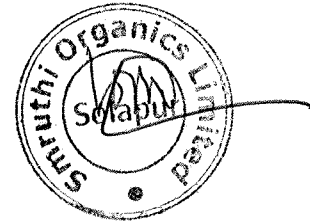
Smruthi Organics Limited

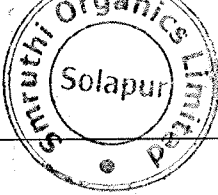
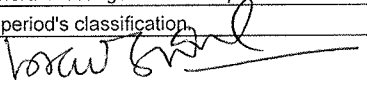
Registered & Corporate Office.: 165-A, Balaji Bhavan, 1st Floor, Railway Lines, Solapur-413001 (Maharashtra)
CIN :- L24119PN1989PLC052562

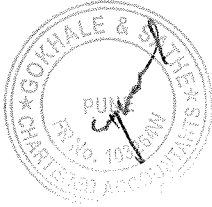
STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2023

(Rs. In Lakhs)

Sr.No.	Particulars	Quarter Ended			Year ended	
		Current Year	Current Year	Previous Year	Current Year	Previous Year
		31/03/2023	31/12/2022	31/03/2022	31/03/2023	31/03/2022
	(Audited)	(Un-audited)	(Audited)	(Audited)	(Audited)	
1	Income from operations					
	a) Revenue from operations (Net)	3677.66	3192.35	3547.36	14104.09	13337.15
	b) Other income	5.26	0.79	9.53	10.74	58.33
	Total Revenue from operations & other Income (a+b)	3682.92	3193.14	3556.89	14114.83	13395.48
2	Expenses					
	a) Cost of materials consumed	2504.83	1970.55	2018.19	9569.33	8180.18
	b) Purchases of Traded Goods	1.36	0.00	3.85	19.88	34.25
	c) Changes in inventories of finished goods & work-in-progress	-138.34	73.38	267.22	(441.50)	(208.16)
	d) Employee benefit expenses	473.03	385.43	283.61	1582.46	1372.60
	e) Finance Costs	25.03	23.66	12.32	82.25	98.36
	f) Depreciation and amortisation expenses	123.87	116.26	110.63	457.18	425.63
	g) Other expenses	612.36	595.03	609.27	2395.86	2115.44
	TOTAL Expenses (a+b+c+d+e+f+g)	3602.14	3164.31	3305.09	13665.46	12018.30
3	Profit/(Loss) before exceptional items and tax (1-2)	80.78	28.83	251.80	449.37	1377.18
4	Exceptional items	-	-	-	-	-
5	Profit/ (loss) before tax (3 - 4)	80.78	28.83	251.80	449.37	1377.18
6	Tax expense					
	a) Current Income Tax	55.10	15.35	66.31	164.32	356.00
	b) Other income Tax	-20.01	0.05	0.00	(18.39)	-
	c) Defered Tax (Asset) / Liability	-23.36	(5.47)	12.35	(109.65)	(17.00)
	Total Tax Expenses (a+b+c)	11.73	9.93	78.66	36.28	339.00
7	Net Profit/(Loss) for the period (5 - 6)	69.05	18.90	173.14	413.09	1038.18
8	Other Comprehensive Income					
	i) Items that will not be reclassified to profit or loss	69.40	(10.56)	-	37.54	-
	(ii) Income tax relating to Items that will not be reclassified to profit or loss.	-15.70	2.66	-	(7.68)	-
	(iii) Items that will be reclassified to profit or loss	-	-	-	-	-
	(iv) Income tax relating to Items that will be reclassified to profit or loss	-	-	-	-	-
	Total Other Comprehensive Income (Net of Tax)	53.70	(7.90)	-	29.86	-
9	Total comprehensive income (7 + 8)	122.75	11.00	173.14	442.95	1038.18
10	Paid-up equity share capital (Face value of Rs.10/- each)	1144.63	1144.63	1144.63	1144.63	1144.63
11	Earnings per equity share (not annualised)					
	a) Basic	1.07	0.10	1.51	3.87	9.07
	b) Diluted	1.07	0.10	1.51	3.87	9.07



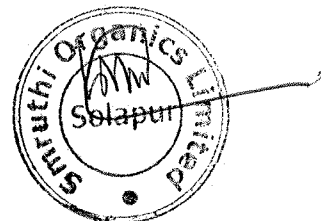
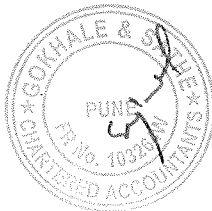
Notes:	
1	The Operations of the Company constitute Bulk Drugs, Drug Intermediates as a major business segment and Formulations activity as a minor business segment.
2	The Statutory Auditor carried out the audited financial results of the Company for the year ended March 31, 2023
3	The above financials were reviewed by the Audit Committee and Approved by the Board of Directors at meeting held on May 20 2023.
4	Revenue from Operations (Sales) for the year ended March 31, 2023 is net of Goods and Service Tax(GST).
5	The results include sale of Rs 58 lakhs and loss of Rs. 121 lakhs incurred by the Formulation Division.
6	The financial results are prepared in accordance with the Indian Accounting Standards (Ind AS) 108 as prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
7	The Board of Directors at its meeting held on May 20, 2023 has approved and recommended dividend of Rs.2/- per equity shares of Rs. 10/- each (20%) for the financial year ended March 31, 2023 for the approval of shareholders at the ensuing 34th Annual General Meeting on Share Capital of Rs. 11.45 Crore
8	Previous period's figures have been regrouped / rearranged wherever necessary to confirm to the current period's classification.
<div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="width: 30%;"> <p>Place : Solapur Date : 20/05/2023</p> </div> <div style="width: 30%; text-align: center;">  </div> <div style="width: 30%; text-align: right;"> <p> E. PURUSHOTHAM CHAIRMAN & MANAGING DIRECTOR DIN 00033588</p> </div> </div>	



Statement of Assets and Liabilities

Rs. In Lakhs

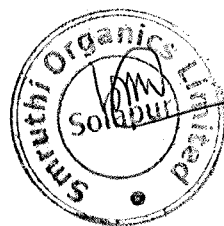
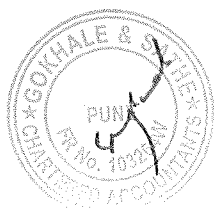
	Particulars	Standalone	
		Year ended 31-03-2023 (Audited)	Year ended 31-03-2022 (Audited)
	ASSETS		
(1)	Non-Current Assets		
	(a) Property, Plant and Equipment	3,702.73	3,331.39
	(b) Capital Work-in-progress	192.22	80.34
	(c) Intangible Assets	1.15	2.09
	(d) Intangible Asset under Development	7.20	-
	(e) Financial Assets		
	(i) Investments	11.94	4.93
	(ii) Other Financial Assets	9.76	9.25
	(f) Other Non Current Assets	108.88	82.98
	Total Non Current Assets (A)	4,033.88	3,510.98
(2)	Current assets		
	(a) Inventories	2,399.00	1,993.32
	(b) Financial Assets		
	(i) Trade Receivables	3,696.09	2,849.52
	(ii) Cash and Cash equivalents	58.63	24.45
	(iii) Other Bank balances	116.19	32.15
	(iv) Other Financial Assets	4.73	2.14
	(c) Other Current Assets	255.55	348.77
	Total Current Assets (B)	6,530.19	5,250.35
	Total Assets (A) + (B)	10,564.07	8,761.34
(1)	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share Capital	1,144.63	1,144.63
	(b) Other Equity	5,671.06	5,571.52
	Total Equity (A)	6,815.69	6,716.15
	Liabilities		
(2)	Non Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	58.58	10.67
	(ii) Other Financial Liabilities	10.25	10.20
	(b) Provisions	27.97	258.35
	(c) Deferred tax liabilities (net)	103.97	205.95
	Total Non Current Liabilities (B)	200.77	485.17
(2)	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	511.06	271.78
	(ii) Trade Payables		
	(A) total outstanding dues of micro enterprises and small enterprises and	14.94	42.59
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	2,450.63	1,063.58
	(iii) Other financial liabilities	37.88	23.47
	(b) Other current liabilities	205.78	139.60
	(c) Provisions	303.08	19.00
	(d) Current Tax Liabilities (Net)	24.24	-
	Total Current Liabilities (C)	3,547.61	1,560.02
	Total Equity and Liabilities (A) + (B) + (C)	10,564.07	8,761.34



Smruthi Organics Limited

Cash Flow Statement for the year ended March 31, 2023

Sr No.	Particulars	31st March 2023	31st March 2022
		Rs.in lakhs	Rs.in Lakhs
A	CASH FLOW FROM OPERATING ACTIVITIES	Audited	Audited
	Profit before income tax	486.91	1,377.17
	Non cash adjustment to reconciled profit before tax to net cash flows	-	-
	Depreciation and Amortization	457.18	425.63
	Fair Valuation (Gain) / Loss on Investments	(7.01)	-
	Interest Expenditure	82.25	98.36
	Foreign Exchange (Gain) / Loss	13.34	27.68
	Interest Income	(8.74)	(58.33)
	Operating Profit before Working Capital changes	1,023.92	1,870.51
	Movements in Working Capital		
	Increase/(Decrease) in Trade Payables	1,359.39	(312.15)
	Increase/(Decrease) in Provisions	53.69	(190.18)
	Increase/(Decrease) in Other Current Liabilities	66.18	139.60
	Increase/(Decrease) in Other Current Financial Liability	14.41	23.47
	Increase/(Decrease) in Other Non Current Liabilities	0.05	10.00
	Decrease/(Increase) in Trade Receivables	(846.57)	(714.91)
	Decrease/(Increase) in Inventories	(405.69)	(180.39)
	Decrease/(Increase) in Non Current Financial Assets	(0.51)	(2.50)
	Decrease/(Increase) in Current Financial Assets	-	3.32
	Decrease/(Increase) in Other Current Assets	93.22	(40.88)
	Decrease/(Increase) in Other Non-current assets	(25.90)	(4.60)
	Cash generated from / (used in) Operations	1,332.21	601.28
	Direct taxes (net of refunds)	(121.70)	(383.83)
	Net cash flow from / (used in) Operating Activities (A)	1,210.51	217.46
B	Cash Flow From Investing Activities		
	Purchases of Fixed Assets, including intangible assets, CWIP & capital advances	(946.65)	(655.38)
	Investment in bank deposits (having original maturity of more than three months)	(84.04)	1,279.10
	Interest Income	6.15	91.15
	Net Cash from / (used in) Investing Activities (B)	(1,024.53)	714.88
C	Cash Flow from Financing Activities		
	Proceeds from long term borrowings	87.05	-
	Repayment of long term borrowing	(23.85)	(34.29)
	Repayment of Short term borrowing	-	(737.13)
	Proceeds from Short term borrowings	223.56	30.00
	Interest Paid	(81.83)	(98.36)
	Foreign Exchange Gain/ Loss	(13.34)	(27.68)
	Dividend paid on equity shares	(343.39)	(343.39)
	Net cash flow from / (used in) Financing Activities (C)	(151.80)	(1,210.84)
	Net Increase/(Decrease) in cash & cash equivalents (A)+(B)+(C)	34.18	(278.51)
	Cash & Cash equivalents at the beginning of the period	24.45	302.96
	Cash & Cash equivalents at the end of the period	58.63	24.45





Smruthi Organics Limited

Date: 20th May 2023

To
Corporate Relation Department
BSE Limited
P. J. Tower, Dalal Street,
Mumbai – 400 001.

To
Listing Department
Metropolitan Stock Exchange of India Ltd
Building A, Unit 205A, 2nd Floor,
Piramal Agastya Corporate Park,
L.B.S Road, Kurla West, Mumbai – 400070

Scrip Code: 540686

Subject: Non-applicability of Reg. 32 of SEBI (LODR) Regulations, 2015 (Statement of Deviation or Variation for proceeds of public issue, rights issue, preferential issue, QIP)

Dear Sir

Please note that the Statement of Deviation or Variation for proceeds of public issue, rights issue, preferential issue, QIP to be given along with quarterly results as required under Reg. 32 of SEBI (LODR) Regulations, 2015 is not applicable to the company as the company has not issued shares by way of public issue, rights issue, preferential issue, QIP etc.

Kindly take the above on record.

For Smruthi Organics Ltd



E. Purushotham
Chairman & Managing Director